

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: MIDAMERICAN ENERGY COMPANY AND CITY OF NEOLA	DOCKET NO. SPU-00-3
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**ORDER GRANTING PETITION FOR MODIFICATION
OF SERVICE AREA BOUNDARY**

(Issued April 12, 2000)

On March 1, 2000, MidAmerican Energy Company (MidAmerican) and City of Neola (Neola) filed a joint petition for modification of service area boundaries pursuant to 199 IAC 20.3(9) (2000). The petition included a service area agreement between MidAmerican and Neola. MidAmerican and Neola request the Board transfer to Neola the service territory in Sections 19, 30, 24, and 25, Pottawattamie County, described as follows:

All the area located in sections 19 and 30, T77N, R41W and in sections 24 and 25, T77N, R42W of the 5th P.M., within the following boundary description that is outside the existing city limits of the city of Neola, Pottawattamie County, Iowa; described as follows:

Commencing at the E 1/4 corner of section 24-77-42, said point of being on the north line of the Neola city limits; thence easterly along the north line of the SW 1/4 in section 19-77-41, 1,124 feet to the northeast corner of the city limits of Neola and the Point of Beginning. Thence continue easterly along north line of the SW 1/4 section 19-77-41 350 feet or to the approximate point due north of the intersection of centerline Mosquito Creek on the south line of section 19-77-41, thence south through said point of intersection of

Mosquito Creek and south line of Section 19-77-41 to a point of intersection on the centerline of Interstate 80, thence southwesterly along centerline of Interstate 80 to the south line of the NE1/4 in section 25-77-42, thence westerly along the east-west centerline of section 25-77-42 to the southwest corner of the SE1/4 NW1/4 Section 25-77-42; thence northerly along the north-south centerline of the NW1/4 section 25-77-42 to the south line of section 24-77-42, thence continue northerly along the north-south centerline of the SW1/4 and the north-south centerline of the NW1/4 in section 24-77-42 to the northwest corner of the S1/2 NE1/4 NW1/4 section 24-77-42, thence easterly along the north line of the S1/2 NE1/4 NW1/4 and the north line of the S1/2 NW1/4 NE1/4 in section 24-77-42 to the northeast corner of the SW1/4 NW1/4 NE1/4, thence southerly along the east line of the SW1/4 NW ¼ NE1/4 to the southeast corner of the SW1/4 NE1/4 section 24-77-42, thence easterly to the point of beginning.

In support of the petition, MidAmerican and Neola assert that the transfer will result in a less confusing boundary line in the area because the current shape of the boundary is irregular. In addition, Neola anticipates expanding its corporate limits to include the area proposed to be transferred. MidAmerican currently serves one customer in the area, the Department of Transportation (DOT) for lighting at 1-80 Exit 23. MidAmerican has agreed to the transfer subject to Neola: (1) Assuming the cost for all surveys by registered land surveyors, providing detail maps of the proposed change; (2) Agreeing to become the service provider for the existing and any future customers in the proposed area to be transferred; (3) Paying the cost of the physical inventory required to serve such existing and future customers; and (4) Paying the cost to remove (less the cost of salvage material) approximately 0.5 miles of three-phase and one mile of two-phase 13 kV line located in the SW ¼ of

Section 19-77-41 and the NW ¼ of Section 30-77-41. MidAmerican and Neola state the changes in boundaries and customer transfer will be effective May 1, 2000, subject to the Board's approval to modify the assigned exclusive service area.

Iowa Code § 476.25 (1999) provides in pertinent part:

Contracts between electric utilities to designate service areas and customers to be served by the electric utility or for the exchange of customers between electric utilities, when approved by the board, shall be valid and enforceable and shall be incorporated into the appropriate exclusive service areas established pursuant to subsection 1 of this section. The board shall approve a contract if it finds that the contract will eliminate or avoid unnecessary duplication of facilities, will provide adequate electric service to all areas and customers affected, will promote the efficient and economical use and development of the electric systems of the contracting electric utilities, and is in the public interest.

The Board will grant the MidAmerican and Neola joint petition for modification of service area boundaries effective with the issuance of this order subject to complaint or investigation. MidAmerican and Neola have alleged facts which establish the proposed modification is in the public interest, will prevent unnecessary duplication of facilities, provide adequate electric service to all customers affected, and will promote the efficient and economical use of electrical systems, pursuant to Iowa Code § 476.25.

IT IS THEREFORE ORDERED:

The joint petition for modification of service area boundaries filed by MidAmerican Energy Company and City of Neola on March 1, 2000, is granted as discussed in the body of this order.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Raymond K. Vawter, Jr. /s/ Diane Munns
Executive Secretary

Dated at Des Moines, Iowa, this 12th day of April, 2000.